

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Public Services – A.P. Works Accounts Service – Fraudulent drawal of Govt. Cheques of Rs.4,66,14,398 issued by the Pay Accounts Officer, Tirupathi - Allegations leveled against Smt. Ch. Adilakshmi, PAO (Retd.), Sri K. Gurraiah, Sr. Assistant, Sri D. Gopal, Sr. Assistant, Kum. V.Suryakumari, Sr.Assistant, Sri R. Lavan Kumar Reddy, Sr. Assistant, Sri V. Siva Sankar Reddy, Sr. Assistant – Suspended from Service – Review of suspensions – Orders – Issued.

FINANCE (WA-II) DEPARTMENT

G.O. Rt. No:3912

Dated: 22-09-2012.

Read the following:-

1. DWA Lr. NO.DWA/Hyd/Sn.I/EC.3/2009-10/133, dated 27.06.2009.
2. Govt.Memo.No.2491/F8 (2)/2009-1, Finance (W&P) Dept., dt.30.06.2009.
3. G.O.Rt.No.2774, Finance (WA.II) Department, dated 04.07.2009.
4. Govt.Memo.No.16575-H/75/WA.II/2009, dated 08.07.2009.
5. DWA Lr. NO. DWA/Hyd/Sn.I/EC.3/2009-10/112, dt.09.07.2009 & 18.07.2009.
6. Govt. Letter No. 19375-B/101/WA-II/2009, dt.18.07.2009 addressed to Addl. DGP.,CID, Hyderabad.
7. Addl.DGP, CID, Hyderabad Letter C.No.4814/C3/CID/2009, dt.26.11.2009, 04-05-2010 and 12-11-2010.
8. Govt.Memo.No.16575-B/75/WA.II/2009, dated 09.12.2009.
9. Govt.Memo.No.16575-H/75/WA.II/2009, dated 15-05-2010.
10. Govt.Memo.No.19375-B/101/WA.II/2009, dated 23-11-2010.
11. DWA Letter No. DOWA/Hyd/Sn.I/EC.3/2011-12/243, dated 29.06.2011
12. G. O. Rt. No.3958, Finance (WA.II) Department, dated 02.11.2011.
13. Representation of A.P. Pay and Accounts Office (Works Accounts) Employees Association, dated 28-10-2011.
14. Govt. Memo. No. 16575-H/75/WA.II/2009, dated 22-11-2011.
15. DWA Letter No. DOWA/Hyd/Sn.I/EC.3/2012-12/243, dated 28.02.2012.
16. G. O. Rt. No.2651, Finance (WA.II) Department, dated 04.06.2012.
17. Govt. Memo. No. 16575-H/75/WA.II/2009, dated 16-04-2012.
18. DWA Letter No. DOWA/Hyd/Sn.I/EC.3/2012-12/60, dated 13.06.2012.
19. D.O.Lr.No. 16575-H/75/WA.II/2009, dated 22-06-2012.
20. Govt. Memo. No. 16575-H/75/WA.II/2009, dated 19-07-2012.
21. APAT order dated 08-08-2012 in O.A.No.5988 of 2012 filed by D.Gopal, Sr. Assistant (U/s).
22. Govt.Memo.NO.16675-H/75/WA.II/2009, dated 18-8-2012.
23. APAT order dated 23-08-2012 in O.A.No.6633 of 2012 filed by V.Siva Sankar Reddy, Sr. Assistant (U/s).
24. APAT order dated 05.09.2012 in O.A.No.7080/2012 filed by Sri K. Gurraiah, Superintendent (U/s).

ORDER:

The Director of Works Accounts reported that an incidence of drawal of forgery cheque bearing No. 034099, dt 25-10-2008 favouring Sri N.V. Chalapathi Rao drawn on SBI, Tirupathi for Rs. 48,87,954/- was issued in the Office of the Pay & Accounts Officer, Tirupathi. The said cheque was encashed through HDFC Bank, Tirupathi. A complaint was lodged in P.S. and FIR was registered in No. 96/2008, dt 06-11-2008 under Section 420 IPC. Subsequently, a preliminary enquiry was conducted and basing on the enquiry, two employees viz. Sri V. Siva Sankar Reddy, Senior Assistant and Sri R. Lavan Kumar Reddy, Junior Assistant stated to be involved in the above incident were suspended from service on 20-02-2009 by the Joint Director of Works Accounts, Kadapa being the competent authority. While the process of enquiry on the forgery cheque was underway, a petition in the name of **Janachaitanya Praja Shakthi** against the certain staff members of the PAO Office, Tirupathi alleging that they were indulging in the activities of drawing the fraudulent cheques.

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2. After a detailed enquiry by the Department, the following cheques were found utilized privately and fraudulently by the staff members of Pay & Accounts Office, Tirupathi. The Cash Book reveals that there are no vouchers relevant to the cheques but found encashed at various Banks in favour of certain private individuals.

Sl. No.	Number of Cheque	Date of Encashment	Amount Encashed (Rs.)	Cheque issued in favour of	Bank in which encashed	Employee to whom cheque was issued by the PAO
1.	990350	12-10-2007	38,43,214	S.Jayakrishna Reddy	SBI, Srikalahasti	K.Gurraiah.
2.	990302	31-12-2007	43,68,085	N.Sai Suman	SBI, Srikalahasti	K.Gurraiah
3.	990253	02-05-2008	48,68,514	N.Sai Suman	SBI, Srikalahasti	V.Siva Sankar Reddy
4.	990305	12-06-2008	49,72,399	N.Sai Suman	SBI, Srikalahasti	K.Gurraiah
5.	990341	08-08-2008	49,28,658	N.Sai Suman	SBI, Srikalahasti	K.Gurraiah
6.	990345	30-08-2008	48,76,884	V.Ramesh Naidu	Bank of Baroda, Tirupathi	K.Gurraiah.
7.	990374	22-09-2008	48,89,785	N.Sai Suman	SBI, Srikalahasti	D.Gopal
8.	990349	29-09-2008	46,85,755	V.Ramesh Naidu	Bank of Baroda, Tirupathi	K.Gurraiah.
9.	990347	01-10-2008	38,56,745	B.Bharath Kumar	ICICI Bank, Tirupathi.	K.Gurraiah.
10.	990348	01-10-2008	48,58,465	V.Ramesh Naidu	HDFC Bank, Tirupathi	K.Gurraiah
11.	990343	18-11-2008	4,65,894	B.Bharath Kumar	ICICI Bank, Tirupathi	K.Gurraiah.
		Total	4,66,14,398			

3. The District Treasury Officer, Chittoor reported that the following cheques Nos.990342, 990344, 990346, 979066, 064700, 071000, 070937, 070943, 075996, 130081, 130082, 130083, 132194, 684501, 684502, 990575, 990576, 990577, 990578, 990639, 991297 and 071925 are not traced in their office and it is also found that they are not traced in the cash books of any Department in the Pay & Accounts Office, Tirupathi. The missing cheques were not reported by the Pay & Accounts Officer and no action has been taken to trace the above cheques.

4. The verification of S.S.T. with Treasury for the respective months of Pay & Accounts Office, Tirupathi, Part – II Cheques revealed that the 11 cheques referred above were not shown under item B Treasury excess which is meant to reflect the cheques encashed at Treasury, but not taken into Cash Book. This is deliberate suppression of information to conceal the fraudulent transactions. The following officers and staff were involved in the above case. Accordingly, the individuals mentioned at Serial No.1 to 4 were also suspended from service.

1. Smt. Ch. Adilakshmi, Pay & Accounts Officer (Retd.)
2. Sri K. Gurraiah, Senior. Assistant.
3. Sri D. Gopal, Senior Assistant.
4. Kumari V. Suryakumari, Senior Assistant.
5. Sri V. Siva Sankar Reddy, Senior Assistant.
6. Sri R. Lavan Kumar Reddy, Senior Assistant.

Contd...3/-

5. In the reference 6th read above, the Government have entrusted the entire case to the CBCID. The Departmental Proceedings were also initiated against all the above accused officers. After examination their written statements of defence, Government entrusted the disciplinary case to the Member, Commissioner of Enquiries to conduct regular enquiry into the charges framed against the above Charged Officers as per the provisions under Rule 20 of A.P.C.S. (CC&A) Rules, 1991 vide G.O. 11th read above. The enquiry is under progress.

6. In the reference 13th read above, the A.P. Pay and Accounts Office (Works Accounts) Employees Association, dated 28-10-2011 have requested to review the suspensions of the individuals as they were kept under suspension for a period of more than two years. The Charged Officers have made several representations to review their suspensions.

7. The Director of Works Accounts was directed to furnish a status report of the cases pending against the charged officers vide reference 17th read above to review the suspensions of the individuals in terms of G.O.Ms.No.526, G.A. (Ser.C) Department, dated 19-08-2008 as they were kept under suspension for a period of more than two years.

8. According to G.O.Ms.No.526, General Administration (Ser.C) Department, dated 19.8.2008, ***“the employees who are under suspension for a period exceeding two years shall be reinstated pending finalizing of the disciplinary cases/Criminal cases against them. However, in exceptional case, for example, where the charged officers are not co-operating for completion of investigation / inquiry or when the inquiry/ investigation could not be completed due to pendency of litigation, a committee headed by the Secretary of the administrative Department, Head of the Department concerned and an official from the Anti Corruption Bureau (where the cases are emanated from Anti Corruption Bureau Investigation), shall review the orders of suspension against the employees who are continued under suspension well before completion of two years of suspension and take a decision to continue such employees under suspension beyond two years, duly recording the reasons for such a decision.”***

9. The Review Committee (consisting of the Secretary to Government (W&P), Director of Works Accounts and the representative of CBCID) reviewed the suspension cases of Kum.V. Suryakumari, Sr. Asst., Sri K. Gurraiah, Superintendent, Sri V. Siva Sankar Reddy, Sr. Asst., Sri D.Gopal, Sr. Asst. and Sri R. Lavan Kumar Reddy, Jr. Asst. of PAO Office, Tirupathi with reference to the above orders on 03-07-2012 and 13-08-2012.

10. The Superintendent of Police, C.I.D. has informed that:

- a. *This is the case of misappropriation of Government Funds by the accused Officers to a tune of Rs.4,66,14,398/- from the Pay and Accounts Office, Tirupathi.*
- b. *Case is under investigation for sanction of prosecution orders against the officers.*
- c. *If they are reinstated, they will abuse the official position and try to dilute the evidence against them on record.*
- d. *There is likelihood of tampering evidence on record in the event of their reinstatement.*
- e. *There is also possibility of influencing official witnesses who are going to give evidence against them and the purpose of investigation done by C.I.D. will be vitiated, if they are reinstated.*

11. Therefore, the Committee has recommended to continue all the above employees under suspension as the case is in the final stage of investigation and the CID likely to be file charge sheets against them in the competent court of law and to review their suspensions after filing of charge sheets against them in the competent court of law.

12. The A.P. Administrative Tribunal in its order, dated 08-08-2012 in O.A.No.5988 of 2012 filed by D.Gopal, Sr. Assistant (U/s) and in its order dated 23-08-2012 in O.A.No.6632 of 2012 filed by V.Siva Sankar Reddy, Sr.Assistant (U/s) directed the respondents to review suspension of the applicants in terms of G.O.Ms.No.526, General Administration (Ser.C) Department, dated 19-08-2008 and pass appropriate orders as per rules within a period of four weeks.

13. The A.P. Administrative Tribunal in its order dated 5.9.2012 in O.A. No.7080/2012 filed by Sri K. Gurraiah, Superintendent (u/s) directed to review the suspension of applicant in terms of G.O.Ms.No.526, G.A.(Ser.C) Department, dated 19.8.2008 and pass appropriate orders within a period of two weeks.

14. Government, after careful consideration of the matter with reference to the material on record, recommendations of the Review Committee and orders of A.P. Administrative Tribunal, hereby order to continue all the above employees under suspension till further orders in the public interest as it is a case of misappropriation of Government Funds by the accused Officers to a tune of Rs.4,66,14,398/- as the criminal case is in the final stage of investigation and the CID likely to file charge sheets against them in the competent court of law for their prosecution and there is a possibility of influencing the witnesses who are going to give evidence against them, if they are reinstated at this juncture. Their suspensions will be reviewed after filing of charge sheets against them in the competent court of law.

15. The Director of Works Accounts, A.P., Hyderabad shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

L. PREMACHANDRA REDDY
SECRETARY TO GOVERNMENT (W&P)

To
The individuals
through the Director of Works Accounts, A.P., Hyderabad.
The Director of Works Accounts, A.P., Hyderabad.

Copy to:

The Secretary to A.P. Vigilance Commission.
The Addl. DGP, CID, A.P., Hyderabad.
The Govt. Pleader for Finance, A.P. Administrative Tribunal for information.
The O.S.D. to Hon'ble M (Finance)
SF/SCs.

//FORWARDED:: BY ORDER//

SECTION OFFICER